



CITY OF CLEVELAND
Mayor Frank G. Jackson



Cleveland**PublicPower**

From: **Office of the Mayor and Cleveland Public Power**

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Cleveland Public Power works to improve quality of life for customers while improving infrastructure

CLEVELAND – For more than 100 years, CPP has provided residents and businesses in Cleveland with quality and affordable electric service. As a municipally owned utility, CPP's focus is not on profit – but rather on providing the highest level of service at the lowest possible cost, investing in quality of life issues, and supporting local priorities and initiatives.

As with any publicly or privately held utility, outages can occur sunny days, as well as during inclement weather. Outages can be caused by cars running into poles, contractors accidentally cutting lines and animals chewing wires. These situations do not diminish the ways we are working to serve our community. In fact, we work diligently to prevent outages and restore service as quickly as possible when it does go out.

As a municipally owned utility, CPP is accountable to the community and not shareholders. As a result, we have the ability to focus – and dedicate resources – on improving the quality of life for residents. This can be through innovative, large projects such as the upgrading of 61,000 streetlights to LED technology in order to improve lighting across the city, helping to create safer streets and neighborhoods while lowering costs to the City's General Fund. Or, it can be through smaller efforts that often go overlooked like implementing tree-trimming strategies that result in reliable electric delivery without destroying the environmental and social benefit that comes from a healthy tree canopy.

Additionally, CPP assists with economic development by supporting broader City development efforts and priorities. This occurs as a part of our everyday business, where we provide companies with a simplified, low-cost installation process to help remove barriers to starting, expanding, or relocating a business. But, it also includes more innovative efforts, such as investing in the proposed microgrid to service critical businesses in the city of Cleveland.

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As a community we have decided that we need to responsibly address the human impact on our climate by changing how we do a lot of things – but specifically how we provide power to our homes and businesses. The City of Cleveland, through CPP, remains committed to investing in renewable energy sources to lower our overall impact on the planet. CPP has been working to meet the City's alternative energy targets established in conjunction with City Council's initiative of using 20% renewable energy by 2020. We are doing this using a mix of large scale power projects like hydroelectric plants along the Ohio River, innovative projects like the off-shore wind power from Project Icebreaker, and with local solutions like the Solar Farm in the City of Brooklyn.

Without having a locally owned and operated electric utility, this focus on local priorities and concerns would not be possible. And while this focus provides benefit to our residents, it also comes with challenges. Over the past several years, electric bills in general – not just CPP bills – have increased. For CPP, this increase has been driven entirely by increasing power costs as the base rates CPP charges to customers have remained unchanged for more than 30 years.

This has created a situation where some reinvestment in infrastructure has been delayed which may contribute to the current outages CPP customers have experienced. We understand these outages cause frustration for customers, and again, we always work to prevent outages and quickly restore services. For example, when the severe wind storms hit Northeast Ohio in mid-September, CPP resolved all major outages within a few hours. We have, however, implemented a short-term enhanced maintenance program to help reduce outages which includes more tree trimming and additional maintenance on switches, poles, cross-arms and breakers. This program is showing early signs of success.

As we move forward, we will continue to look at ways to invest in our infrastructure through capital investments. For example, we recently completed a \$6 million project to restore 138Kv pipe type cable which will restore the second link between the east and west side at the northern end of our service area. In addition, we are investing \$18 million to construct a new 138 Kv Transmission Line to help enhance the reliability and redundancy of the southern end of our service area.

“From a long term perspective, we have to take a look at rates. Another benefit of having a municipally owned utility is that this process occurs through a public process that accounts for input from elected officials and the public,” says Robert Davis, Director, City of Cleveland, Department of Public Utilities. “We are currently in the midst of conducting a comprehensive financial review that is evaluating the entirety of CPP's operation. This evaluation will include recommendations on what, if any, changes to the rate structure are necessary, the overall power supply mix, the appropriate levels of capital investment to support on-going reliability enhancements, and how operations should be funded and organized moving forward. We anticipate this study will be complete sometime in the near future”, stated Davis.

Director Davis added, “At the end of the day, the men and women who work at CPP are a part of the community. This helps keep money in our community which helps stimulate economic growth and development. It also means that our employees care about ensuring reliable, quality electric service to our customers. As we continue to deliver benefit to the residents and businesses who count on us, we will continue to be transparent.”

CPP's Annual Report offers a view of the utility's financial portfolio and a more in-depth look at what accomplishments have been made annual. The reports can be found at cpp.org.

About the City of Cleveland

The City of Cleveland is committed to improving the quality of life for its residents by strengthening neighborhoods, delivering superior services, embracing diversity and making Cleveland a desirable, safe city in which to live, work, play, and do business. For more information on the City of Cleveland, visit online at www.city.cleveland.oh.us, Twitter at [@cityofcleveland](https://twitter.com/cityofcleveland) or Facebook at www.facebook.com/cityofcleveland.